

From: Amy Brownell

Sent: Wednesday, September 3, 2008 8:48 AM

To: Kito, Melanie R CIV NAVFAC SW; Forman, Keith S CIV OASN (I&E) BRAC PMO West; Jensen, Dane C CIV NAVFAC SW; steve.hall@ttemi.com; Macchiarella, Thomas L CIV OASN (I&E) BRAC PMO West

CC: dcshipman@treadwellrollo.com; sreinis@treadwellrollo.com; gordonhart@paulhastings.com; sheila.roebuck@lennar.com; JLTURNROSS@mactec.com; Elaine Warren; Thor Kaslofsky; Tiffany Bohee; Stephen Maduli-Williams; Natasha Jones; Michael Cohen

Subject: Input on Early Transfer Schedule (Parcels B and G) and Parcel G ETCA components

Attachments: ET Schedule City Proposal 0908.doc; Detailed ET Parcels B G IR718.xls; Parcel G ETCA, 082508.doc

Hi Keith, Melanie, Dane, Steve, Thomas:

Attached are 3 documents.

The first two address the goal of lining up the early transfer document schedules so that there will only be one CDR submitted to the governor for Parcels B and G. Specifically:

- WORD descriptive schedule at a glance that describes and presents the tasks by quarter

- Detailed Excel spreadsheet - attempting to demonstrate the similarities and differences between Navy schedule and our proposals

The 3rd document is the ETCA cost components list for Parcel G

Please note the following information about the WORD schedule at a glance and detailed excel spreadsheet:

The proposed dates are based on the Navy's 7/31/08 schedule using the Parcel G dates as a starting point. This schedule assumes that Parcel B (except Parcel 7/18) will be able to transfer at the same time as Parcel G. Parcel IR7/18 would be included in the same CDR, FOSET, ETCA and AOC, but the approval of the CDR for Parcel IR7/18 and the rest of Parcel B would be conditioned upon completion of the radiological remedial work (which, for the rest of B can happen before the 2/10 transfer date, but for Parcel 7/18 will require transfer a year late.). There would be separate RMPs and LUCs for each parcel, but they would be prepared and approved simultaneously.

Accordingly, unless a particular parcel is specified, tasks encompass Parcels B, IR7/18 and G. Most of the changes in dates from the Navy schedule are a result of conforming the Parcel B dates to the Parcel G dates to reflect a unified CDR, FOSET, ETCA and AOC development and approval process. The Word Document showing the schedule-in-a-glance sets forth the key tasks as being ongoing during a particular quarter; to allow flexibility, we did not attempt to pinpoint precisely when in the quarter tasks would be completed (except for the ultimate transfer dates). These rough quarter dates have been transferred into the Excel spreadsheet, which may slightly skew comparison of the City dates with the more precise Navy dates.

In addition for the Excel detailed spreadsheet:

green highlight marks City text additions or changes in wording
yellow highlight marks Navy dates that we propose moving sooner in
schedule to match City proposed dates.
red text signifies words that should be deleted from a Navy task

Once you have reviewed this information, we would appreciate the chance to
sit down and explain it in detail and answer any of your questions.

thanks,
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(See attached file: ET Schedule City Proposal 0908.doc)(See attached file:
Detailed ET Parcels B G IR718.xls)(See attached file: Parcel G ETCA,
082508.doc)

Proposed Rough Schedule—at-a-Glance
Early Transfer of HPS Parcels B, Parcel IR7/18 and G
Negotiation and Preparation of Property Transfer and Privatized Remediation Documents

These proposed dates are based on the Navy's 7/31/08 schedule using the Parcel G dates as a starting point. This schedule assumes that Parcel B (except Parcel 7/18) will be able to transfer at the same time as Parcel G. Parcel IR7/18 would be included in the same CDR, FOSET, ETCA and AOC, but the approval of the CDR for Parcel IR7/18 and the rest of Parcel B would be conditioned upon completion of the radiological remedial work (which, for the rest of B can happen before the 2/10 transfer date, but for Parcel 7/18 will require transfer a year late.). There would be separate RMPs and LUCs for each parcel, but they would be prepared and approved simultaneously.

*Accordingly, unless a particular parcel is specified, tasks encompass **Parcels B, IR7/18 and G**. Most of the changes in dates from the Navy schedule are a result of conforming the Parcel B dates to the Parcel G dates to reflect a unified CDR, FOSET, ETCA and AOC development and approval process. The Word Document showing the schedule-in-a-glance sets forth the key tasks as being ongoing during a particular quarter; to allow flexibility, we did not attempt to pinpoint precisely when in the quarter tasks would be completed (except for the ultimate transfer dates). These rough quarter dates have been transferred into the Excel spreadsheet, which may slightly skew comparison of the City dates with the more precise Navy dates.*

The first party listed in the parentheses is expected to initiate the exchange. "City" refers to the City, SFRA, LBVP, Mactec team. "State" refers to DTSC, CDPH, RWQCB.

ETCA Cost Components

Aug-Oct 08	Exchange/Discuss ETCA Cost Components/Assumptions (City, Navy)
Nov-Jan 09	Exchange/Discuss Navy CTC/City ETCA Cost Proposal (City and Navy)
Feb-Apr 09	Negotiate and Finalize ETCA Cost Agreement (Navy, City)

ETCA Legal Terms

Aug-Oct 08	Exchange/Discuss major ETCA legal terms (Navy, City)
Nov-Jan 09	Negotiate ETCA language (Navy and City)
Feb-Apr 09	Substantially complete ETCA language negotiations (Navy, City)
May–July 09	Finalize ETCA language (Navy, City)
Nov-Jan 10	Execute ETCA (all)

RMPs

Aug-Oct 08	Exchange/Discuss draft RMPs, beginning with Parcel B (City, all)
Nov-Jan 09	Continue development of RMPs (all)
Feb-Apr 09	Continue development of RMPs (all)
May–July 09	Finalize RMPs (all)

LUCs

Aug-Oct 08	Exchange/Discuss draft LUCs, beginning with Parcel B (State, all)
Nov-Jan 09	Continue development of LUCs (all)
Feb-Apr 09	Continue development of LUCs (all)
May–July 09	Finalize LUCs (all)

Parcel G FOSL

Aug-Oct 08 Prepare draft **Parcel G FOSL** (Navy)
Nov-Jan 09 Submit/Review Draft **Parcel G FOSL** (Navy, all)
Feb-Apr 09 Circulate **Parcel G FOSL** for public comment and Finalize (Navy, all)
May –July 09 Draft/Review/Negotiate **Parcel G Lease** (Navy, City)
Aug –Oct 09 Finalize **Parcel G Lease** (Navy, City)

Environmental Insurance

Nov-Jan 09 Begin Discussions about Environmental Insurance with Insurers (City)
Feb-Apr 09 Environmental Insurance Underwriting (City)
May –July 09 Negotiate environmental insurance policy language (City, Navy)

AOC

Nov-Jan 09 Exchange/Discuss AOC Terms (EPA, State, City)
Feb-Apr 09 Negotiate and Finalize AOC terms (EPA, State, City)
Feb-Apr 09 Exchange/Negotiate AOC legal language (EPA, State, City)
May –July 09 Finalize AOC language (EPA, State, City)
Nov-Jan 10 Execute AOC (all)

FOSET

Feb-Apr 09 Prepare draft FOSET (Navy)
May –July 09 Review, Circulate FOSET for Public Comment (Navy, all)
Aug –Oct 09 Finalize FOSET (Navy, all)

CDR

Aug –Oct 09 Prepare CDR and Submit to Governor (Navy)
Nov-Jan 10 Governor reviews and approves CDR (State)

Deeds and Transfer Dates

Nov-Jan 10 Prepare Quitclaim Deeds (Navy, City)

Jan – Feb 10 Finalize Parcel G Quitclaim Deed
Feb 10 **Transfer Parcel G in February 2010**

Jan – Feb 10 Finalize Parcel B Quitclaim Deed
Feb 10 **Transfer Parcel B in February 2010**

Feb 10 – April 11 Finalize IR7/18 Quitclaim Deed
May 11 **Transfer IR7/18 in May 2011**

	Parcel G	City Suggested	City Suggested	Current	Current	Parcel B	City Suggested	City Suggested	Current	Current	IR7/18	City Suggested	City Suggested	Current	Current
Task Description	Line	Start Date	End Date	Navy Start Date	Navy End Date	Line	Start Date	End Date	Navy Start Date	Navy End Date	Line	Start Date	End Date	Navy Start Date	Navy End Date
Finding of Suitability to Lease (FOSL)	4099	Aug-08	Apr-09	5/5/2008	4/20/2009		Currently not anticipated to be necessary					Currently not anticipated to be necessary			
Contract FOSL Project															
Prepare Internal Draft FOSL															
Navy Review of Internal Draft FOSL															
Prepare Draft FOSL		Aug-08	Oct-08	10/24/2008	11/14/2008										
Submit Draft FOSL		Nov-08			11/17/2008										
BCT Review Period		Nov-08	Jan-09	11/18/2008	1/6/2009										
BCT Comments Due															
Comment Resolution Meeting															
Prepare Draft Final FOSL															
Submit Draft Final FOSL															
BCT Concurrence / Public Comment Period		Feb-09	Apr-09	2/11/2009	3/25/2009										
BCT Concurrence Letters / Public Comments Due															
Finalize FOSL			Apr-09		3/30/2009										
Navy Executes FOSL				3/31/2009	4/8/2009										
Public Notice of FOSL Signing															
Submit Final FOSL with Signatures															
Lease	4116	May-09	Oct-09	4/21/2009	9/10/2009										
Draft Lease		May-09		4/21/2009	5/18/2009										
Navy Internal Review of Draft Lease															
Navy/City of SF Negotiations		May-09	Jul-09	6/3/2009	7/15/2009										
Prepare Final Lease		Aug-09	Oct-09	7/16/2009	7/29/2009										
Approval for Director's Signature															
City of SF Execute Lease															
Navy Execute Lease					9/10/2009										
Early Transfer Conveyance Agreement	4124	Aug-08	Jan-10	9/2/2008	12/28/2009	1549	Aug-08	Jan-10	9/2/2008	3/29/2010		same as B			
Navy Compiles CTC				9/2/2008	9/29/2008										
City and Navy Agreement on Cost Components	City Added	Aug-08	Oct-08				Aug-08	Oct-08							
City of SF Due Diligence and Costing of ETCA															
Including Cost Overrun and Liability Insurance (see Insurance items below)		Aug-08	Oct-08	9/30/2008	10/28/2008		Aug-08	Oct-08	9/30/2008	10/28/2008					
City of SF Preliminary Cost Proposal to Navy		Nov-08			10/28/2008		Nov-08			10/28/2008					
Navy Review of Proposed ETCA Cost		Nov-08	Jan-09	10/29/2008	11/4/2008		Nov-08	Jan-09	10/29/2008	11/4/2008					
ETCA Negotiate to Scope, Assumptions and Cost		Feb-09	Apr-09	11/5/2008	12/19/2008		Feb-09	Apr-09	11/5/2008	12/19/2008					
Navy Draft ETCA Agreement Terms and Conditions		Aug-08	Oct-08	12/22/2008	1/22/2009		Aug-08	Oct-08	12/22/2008	1/22/2009					
Navy/City of SF Negotiate ETCA Terms and Conditions Including Cost Overrun and Liability Insurance (see Insurance items below)		Nov-08	Jan-09	1/23/2009	3/6/2009		Nov-08	Jan-09	1/23/2009	3/6/2009					
Prepare Draft Final ETCA		Feb-09	Apr-09	3/9/2009	5/8/2009		Feb-09	Apr-09	3/9/2009	5/8/2009					
Submit Draft Final ETCA to BCT		Apr-09			5/8/2009		Apr-09			5/8/2009					
Approve Draft Final ETCA for CDR Package		May-09	Jul-09	5/11/2009	6/8/2009		May-09	Jul-09	5/11/2009	6/8/2009					
Finalize ETCA after CDR Package Review															
Execute ETCA		Nov-09	Jan-10		12/28/2009		Nov-09	Jan-10		3/29/2010					
Obtain Environmental Insurance	City Added	Nov-08	Jul-09				Nov-08	Jul-09							
Begin discussion with Environmental Insurers (City)	City Added	Nov-08	Jan-08				Nov-08	Jan-08							
Environmental Insurance Underwriting (City)	City Added	Feb-09	Apr-09				Feb-09	Apr-09							
Negotiate Environmental Insurance Language (City, Navy)	City Added	May-09	Jul-09				May-09	Jul-09							
Finalize Policies (City, Navy)	City Added		Oct-09					Oct-09							
Bind Policies (City)	City Added		Jan-10					Jan-10							
Risk Management Plan (Prepared by City of SF)	4137	Aug-08	Jul-09	1/25/2008	12/28/2009	1562	Aug-08	Jul-09	11/7/2008	3/26/2010		same as B			
Prepare Draft Risk Management Plan					8/26/2008										
Submit Draft Risk Management Plan		Aug-08			8/26/2008		Aug-08			8/8/2008					
BCT Review Period		Aug-08	Oct-08	8/27/2008	9/26/2008		Aug-08	Oct-08	8/11/2008	9/10/2008					
BCT Comments Due		Oct-08			9/26/2008		Oct-08			9/10/2008					
Prepare Draft Final Risk Management Plan		Nov-08	Jan-09	9/26/2008	11/11/2008		Nov-08	Jan-09	9/10/2008	11/21/2008					
Submit Draft Final Risk Management Plan to BCT		Feb-09			11/11/2008		Feb-09			11/21/2008					
BCT Review and Approve Draft Final RMP for CDR Package		May-09	Jul-09		12/12/2008		May-09	Jul-09	11/21/2008	12/24/2008					
Prepare Final RMP after CDR Package Review			Aug-09	12/11/2009	12/28/2009			Aug-09							
Execute Final RMP (Delete Line - not an executable doc)															

	Parcel G	City Suggested Start Date	City Suggested End Date	Current Navy Start Date	Current Navy End Date	Parcel B	City Suggested Start Date	City Suggested End Date	Current Navy Start Date	Current Navy End Date	IR7/18	City Suggested Start Date	City Suggested End Date	Current Navy Start Date	Current Navy End Date
Task Description															
Land Use Covenant (LUC)	4147	Aug-08	Jul-09	2/6/2009	12/28/2009	1572	Aug-08	Jul-09	1/20/2009	3/26/2010		Same as B			
Prepare Internal Draft												"			
Navy Internal Review												"			
Prepare Draft LUC (Navy/City discuss)		Aug-08	Oct-08	3/2/2009	3/13/2009		Aug-08	Oct-08	2/18/2009	3/2/2009		"			
Submit Draft LUC to BCT for review by attorneys	City word changes											"			
BCT attorneys Review Period	City word changes											"			
BCT attorneys Comments Due	City word changes											"			
Review and Resolve Comment												"			
Prepare Draft Final LUC												"			
Submit Draft Final LUC to BCT for review by attorneys	City word changes			5/19/2009	5/19/2009					5/7/2009		"			
BCT attorneys Review and Approve for CDR Package	City word change	May-09	Jul-09		12/28/2009		May-09	Jul-09				"			
Prepare Final LUC after CDR Package Review												"			
DTSC/Navy/City Execute LUC	City word changes											"			
Administrative Order on Consent (AOC)	4160	Nov-08	Jul-09	2/6/2009	12/28/2009	1585	Nov-08	Jul-09	1/20/2009	3/26/2010		Same as B			
EPA Draft AOC	City word changes											"			
Submit Draft AOC to BCT for review by attorneys	City word change	Nov-08		3/13/2009	3/13/2009		Nov-08			3/24/2009		"			
BCT attorneys Review Period	City word change	Nov-08	Jan-09	3/13/2009	3/27/2009		Nov-08	Jan-09	3/25/2009	4/7/2009		"			
BCT attorneys Comments Due	City word change	Jan-09			3/27/2009		Jan-09			4/8/2009		"			
Comment Resolution		Feb-09	Apr-09	3/27/2009	5/8/2009		Feb-09	Apr-09	4/9/2009	5/20/2009		"			
EPA Prepare Draft Final AOC	City word change	May-09	Jul-09	5/8/2009	5/19/2009		May-09	Jul-09	5/21/2009	6/1/2009		"			
Submit Draft Final AOC to BCT for review by attorneys	City word change	Jul-09			5/19/2009		Jul-09			6/1/2009		"			
EPA Prepare Final AOC after CDR Review	City word changes											"			
Execute AOC												"			
Legal Descriptions				12/10/2008	3/24/2009				5/1/2009	7/27/2009		Same as B			
Prepare and Record Boundary Survey												"			
Prepare Legal Description												"			
Review/Approve Legal Description												"			
Finalize Legal Description												"			
Removal Action Closeout Report (Radiation)	4078			3/10/2009	8/28/2009	1427			1/28/2009	8/18/2009		see separate remedial action items below			
Prepare Draft Removal Action Closeout Report				3/10/2009	5/5/2009				1/28/2009	4/8/2009					
Submit Draft Removal Action Closeout Report					5/5/2009					4/8/2009					
DHS and EPA Review Period				5/5/2009	6/4/2009				4/9/2009	5/26/2009					
DHS and EPA Comments Due					6/4/2009					5/26/2009					
Prepare Final Removal Action Closeout Report with RTC				6/5/2009	7/31/2009				5/26/2009	7/21/2009					
Submit Final Removal Action Closeout Report with RTC					7/31/2009					7/21/2009					
Concurrence of Radiological Closeout Report				8/3/2009	8/28/2009				7/21/2009	8/18/2009					
Finding of Suitability for Early Transfer (FOSET)	4099	Feb-09	Oct-09	5/5/2008	9/9/2009	1601	Feb-09	Oct-09	5/27/2008	12/24/2009		Same as B			
Contract FOSET Project												"			
Prepare Internal Draft FOSET												"			
Navy Review of Internal Draft FOSET												"			
Prepare Draft FOSET		Feb-09	Apr-09	12/12/2008	12/18/2008		Feb-09	Apr-09	12/10/2008	12/17/2008		"			
Publish a Public Notice of the Draft FOSET												"			
Submit Draft FOSET												"			
BCT Review Period												"			
Public/BCT Review Period		May-09	Jul-09	6/5/2009	7/7/2009		May-09	Jul-09	9/16/2009	10/16/2009		"			
Public/BCT Comments Due												"			
Review and Resolve Comments												"			
Prepare Response to Comments and Final FOSET												"			
Submit Final FOSET												"			
BCT Review and Concurrence												"			
Finalize FOSET		Aug-09	Oct-09	8/18/2009	9/1/2009		Aug-09	Oct-09	12/3/2009	12/16/2009		"			
Publish a Notice of Intent for FOSET Signing												"			
Submit Final FOSET with Signatures												"			
Remedial Design for IR7/18											1509				
Prepare Draft Remedial Design	City word changes												Jan-09		
Submit Draft Remedial Design	City word changes												Jan-09		
BCT Review Period	City word changes												Apr-09		2/4/2009
BCT Comments Due	City word changes												Apr-09		2/4/2009
Comment Resolution	City word changes												May-09		2/13/2009
Prepare Final Remedial Design	City word changes												Jul-09		11/19/2009
Submit Final Remedial Design	City word changes												Jul-09		11/20/2009

	Parcel G	City Suggested	City Suggested	Current	Current	Parcel B	City Suggested	City Suggested	Current	Current	IR7/18	City Suggested	City Suggested	Current	Current
Task Description		Start Date	End Date	Navy Start Date	Navy End Date		Start Date	End Date	Navy Start Date	Navy End Date		Start Date	End Date	Navy Start Date	Navy End Date
Covenant Deferral Request (CDR)	4193	Aug-09	Jan-10	9/1/2009	12/11/2009	1618	Aug-09	Jan-10	12/17/2009	3/12/2010		same as B			
Notify EPA and Governor of CDR												"			
Prepare CDR Package		Aug-09	Oct-09	9/1/2009	9/9/2009		Aug-09	Oct-09	12/18/2009	12/24/2009		"			
Final CDR to PMO												"			
PMO Approval of Final CDR												"			
PMO Sends Info Memo and Final CDR to DASN(E)												"			
DASN(E) Review and Approval												"			
PMO Submits Initial Notification to ODUSD (I&E/EM)												"			
PMO Forwards Final CDR to Governor(DTSC)/EPA												"			
EPA and DTSC Review and Approve		Aug-09	Oct-09	9/24/2009	10/8/2009		Aug-09	Oct-09	1/13/2010	1/26/2010		"			
DTSC Prepare and Submit Governor Approval Request (GAR)		Oct-09		10/8/2009	10/27/2009		Oct-09		1/27/2010	1/28/2010		"			
Governor Review and Approval		Sep-09	Jan-10	10/27/2009	12/11/2009		Sep-09	Jan-10	1/29/2010	3/12/2010		"			
IR7/18 Remedial Action Completion Report (Cap)											3/12/1904				
Prepare Draft Remedial Action Completion Report															11/4/2010
Submit Draft Remedial Action Completion Report															11/5/2010
BCT Review Period															12/10/2010
BCT Comments Due															12/17/2010
Prepare Final Remedial Action Completion Report with RTC															1/7/2011
Submit Final Remedial Action Completion Report with RTC															1/14/2011
BCT Concurrence of Remedial Action Completion Report															2/14/2011
Quitclaim Deed	4205	Nov-09	Feb-10	3/18/2009	2/15/2010	1630	Nov-09	May-10	3/2/2009	5/13/2010					
Draft Quitclaim Deed		Nov-09	Jan-10	3/18/2009	4/7/2009		Nov-09	Jan-10	3/2/2009	3/20/2009					
Navy Internal Review of Deed															
Navy/City Negotiations															
Finalize Quitclaim Deed			Feb-10	8/14/2009	9/3/2009			Feb-10	7/29/2009	8/25/2009			Apr-11		
Land Transfer			Feb-10	2/3/2010	2/12/2010			Feb-10		5/12/2010			May-11		

Hunters Point Shipyard
Parcel G ETCA Costing Components - Draft
8/25/08

Remedy Implementation

- Development of Risk Management Plan (RMP) – post-transfer portions
- Soil Gas Survey (areal extent needs to be determined and approved by Navy/regulators in order to calculate cost; dependent upon results of Parcel Groundwater Treatability Study (GWTS))
 - Work plan
 - Performance of soil gas survey
 - Soil gas survey results reporting
- Soil Excavation
 - Two areas with elevated lead and benzo(a)pyrene concentrations as shown on Parcel D Revised Feasibility Study Figure 5-2
 - Remedial Design Reports/Remedial Action Work Plans
 - Remedial Completion/Construction Report
- SVE System Operation
 - Dependent on results of current GWTS Remedial Design
 - Report/Remedial Action Work Plan
 - Remedial Completion/Construction Report
- ZVI Treatment (ROD alternative)
 - IR Sites 9, 33 and 71 (dependent on results of current GWTS)
 - Remedial Design Report/Remedial Action Work Plan
 - Remedial Completion/Construction Report
- Contingency Alternative
 - Groundwater remedial alternative if ZVI treatment is unsuccessful (additional insurance premium)
- Soil Cover/Vapor Barrier Construction
 - Soil cover in areas not covered by buildings, streets, hardscape, including seawalls

- Remedial Design Report/Remedial Action Work Plan for all areas
 - Remedial Completion/Construction Reports for all covers
- Operation, Maintenance & Monitoring Plan (includes LUC management)
- Well Abandonment
 - Wells currently part of monitoring programs that will become obsolete
- Well Permitting
 - Existing wells not previously permitted by SFDPH
- Annual RMP and LUC Inspections and Reporting
- Certification of Completion of Remedial Action
- 5 Year Reviews

Public Involvement

- Community Coordination Plan
- Fact Sheets
- Community Meetings
- RAB Participation
- LUC database maintenance

Project Management

- Project Plan/Schedule
- Data Transfer/Management
- Administrative Order on Consent Development/Review
- Administrative Record Maintenance
- RMP Document Updates/Maintenance
- Progress Reporting
- Meetings

Regulatory Oversight Costs

Environmental Insurance

- Cleanup Cost Cap
- Pollution Legal Liability